

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

June 26, 2001

Daniel Sheppard GoldTerra, Inc. 4088 East Airport Road Price, Utah 84501

Re:

Acceptance of Amended Notice of Intention to Commence Small Mining Operations, GoldTerra Inc., Black Butte Mine, S/015/080, Emery County, Utah

Dear Mr. Sheppard:

Thank you for your amended Notice of Intention to Commence Small Mining Operations, received by the Division on June 25, 2001. The application for the proposed Black Butte project, located in Section 2, T20S, R14E, SLBM, is complete and no additional information is required by the Division at this time. You may commence with your proposed operations as outlined provided you have received written approval from the School and Institutional Trust Lands Administration.

The map included with this application indicated a five acre parcel that noted drilling locations. It should be noted that because of the inclusion of the access road as a part of this permit, the area permitted for disturbance at the mine site is only 4.15 acres. Should you wish to expand your operation beyond the five acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices", and the statutory penalty for failure to reclaim a minesite (SMO-1 and SMO-2). Please give special consideration to item #10 of the "Operation and Reclamation Practices" (SMO-1). Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely

Doug Jensen

Senior Reclamation Specialist

Jb

Enclosure

cc: Will Stokes, SITLA (ML 47708)

S15-80-amd.doc